Crown-Indigenous Relations and Northern Affairs Canada
Relations Couronne-Autochtones et Affaires du Nord Canada

Water Resources Division
Resource Management Directorate
Nunavut Regional Office
918 Nunavut Drive
Iqaluit, NU, X0A 3H0

Your file - Votre référence
2AM-MRY2540
Our file - Notre référence
GCDocs#150394563

October 1, 2026

Karén Kharatyan
Director of Technical Services
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Email: licensing@nwb-oen.ca

Re: Crown-Indigenous Relations and Northern Affairs Canada's Position on the 2026 Reclamation Security Update for the Mary River Project, Water Licence No. 2AM-MRY2540

Dear Mr. Kharatyan:

Further to Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) letter dated September 21, 2026 regarding the joint update submitted by Baffinland Iron Mines Corporation (Baffinland) and the Qikiqtani Inuit Association (QIA), CIRNAC remains consistent with its final submission to the Nunavut Water Board (NWB) dated February 13, 2026.

During the 2026 Annual Security Review, CIRNAC revised its security recommendation following discussions with Baffinland and in consideration of commitments made by Baffinland during the process.

Specifically, CIRNAC's revised recommendation (February 13th submission) reflected its understanding that Baffinland would continue to work actively with CIRNAC, QIA and the Board. CIRNAC's February 13, 2026 submission identified a number of matters requiring further clarification, justification, or inclusion in future iterations of the ICRP and security estimate. These included:

- confirmation of an longer Interim Care and Maintenance (ICM) period;
- inclusion of camp and flight costs associated with ICM and post-closure activities;
- reconciliation and justification of labor rates used in the ICM estimates;
- clarification of discrepancies associated with Waste Rock Facility cover areas and corresponding cover material requirements;
- resolution of concerns regarding areas removed from the security estimate on the basis that reclamation had been completed, including the need to verify the work and substantiate any associated reduction in liability before recognizing a reduction in security; and
- justification for the removal of pond backfilling activities and the proposal to leave selected pond liners in place where this differs from the closure approach described in the ICRP.

CIRNAC remains committed to working collaboratively with Baffinland, QIA, and the NWB to resolve the outstanding concerns in the forthcoming reclamation security estimates and management plans.

Thank you for the opportunity to provide this clarification. Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,



Lauren Perrin

Water Management Specialist

Crown-Indigenous Relations and Northern Affairs Canada